

**SHREWSBURY'S ELECTRIC LIGHT PLANT
&
SHREWSBURY'S COMMUNITY CABLEVISION**

COMMISSION MEETING

May 28, 2002 – 7:00 PM

MINUTES

PRESENT: S. DAVIS
C. JEFFERSON, Jr., Chairman
J. TOMAILOLO
A. TRIPPI
R. LUTZ

ABSENT: NONE

OTHERS

PRESENT: T. JOSIE
F. PAIKA
J. TERRASI
T. DESILETS

1. Approve Bill Schedules

The bill schedules and abatements were reviewed and approved as written.

2. Minutes – Light Commission Meeting – April 22, 2002

A motion:

To approve the minutes of the April 22, 2002 Light Commission meeting was made by A. Trippi and seconded by J. Tomaiolo.

Without further discussion, the minutes were accepted as presented.

3. Minutes – Light Commission Meeting – May 8, 2002

A motion:

To approve the minutes of the May 8, 2002 Light Commission meeting was made by R. Lutz and seconded by C. Jefferson, Jr.

Without further discussion, the minutes were accepted as presented.

4. Green Street Tree Project

T. Josie summarized events since the last Commission meeting. The landscaper/consultant submitted a document for plants and planting costs needed for the Green Street Tree Project. A formal bid document was created made up of two parts – planting and watering for the first ten days and the ongoing watering. The bid package was mailed to six area landscapers and is due back May 30, 2002.

He added that he had talked with representatives of State Street Bank regarding funding the project. State Street responded that they would give it serious consideration and added that they believed that they could pay for the project as presented – total project cost estimated at \$25,000 (including the watering.)

Mr. Kirk, a town resident representing a number of Green Street residents, was present to relay their messages/concerns that included the following,

- The contact person chosen at the last meeting to be the Green Street Tree Project spokesperson is a notorious hermit.
- Residents do not want too much money spent on the watering so as to have more money invested in the plants themselves.
- Be careful of the poison ivy. With the trees cut down, it's growing like crazy.
- Plantings be done far enough along the length of Green Street as can be afforded.

The Commission responded,

- No spokesperson was actually selected at the last meeting.
- The Commission is obligated to spend whatever monies on the watering so as to ensure that the plantings survive and grow.
- Based upon the landscaper's suggestions and reasonable cost, there will be 5-6 planting areas along Green Street.

T. Josie added that once the bids are in and the project awarded, the next decision is to finalize the locations of the plantings. Input from Green Street residents will be sought.

5. Proposed Rate Adjustment

T. Josie commented that the proposed rate adjustment is a result of the following:

- a. Mass Electric's Default rate and Standard Offer rates are being decreased in May (Default) and July 2002 (Standard.)
- b. Consistent with policy set by the Commission, to the best of SELP's ability, SELP will see that electric rates track competition on a class of service basis.

Because Mass Electric wrote off their Stranded Investment and SELP still has Stranded Investment, SELP's costs are higher. It is his opinion that on a forward going basis, SELP's power costs will stabilize and decrease, assuming there are stable oil prices that may affect Stonybrook, etc. According to the current rate schedule, SELP had the potential of overcollecting \$1M revenue from the sale of power. Based upon reducing the Residential rate by 12%, Water Heating rate by 4 ½%, Commercial rate 7.7% and General Service rate 5.9%, the revenue collected for Power Supply, rate components will about equal the expenses.

After further discussion,

A motion:

To adopt the General Manager's recommendations for the proposed electric rate adjustments:

- 1. Approve the rate reduction by lowering the transition charge, as presented.***
- 2. Change the method of making the stranded investment payment of about \$33,300 per month. SELP will temporarily cease making the \$38,300 Stranded Investment monthly payment and this same amount will be transferred internally from General Cash to the PCA account. This provides more immediate control over cash should it be required to make up for an unexpected reduction in revenue or increase in Power Cost.***
- 3. Continue to monitor electric sales, revenue and power cost. If trends are not positive, request that MMWEC give SELP \$758,563 for decommission refunds to be deposited in SELP's PCA fund as opposed to the planned deposit into our stranded investment at MMWEC***

Was made by C. Jefferson, Jr. and seconded by J. Tomaiolo. Without further discussion, the motion was carried unanimously.

6. March Financial Statements

a. Light

After reviewing the financial statements and following a brief discussion, the March 2002 Light Financial Statements were accepted as presented.

b. CATV

After reviewing the cash statements and following a brief discussion, the March 2002 CATV Financial Statements were accepted as presented.

7. April Cash Statements

a. Light

After reviewing the cash statements and following a brief discussion, the April 2002 Light Cash Statements were accepted as presented.

b. CATV

After reviewing the cash statements and a following brief discussion, the April 2002 CATV Cash Statements were accepted as presented.

8. State Street Bank Service – Update

In review, T. Josie reported that SELP had to obtain easements from the state and Worcester Business Development Corporation (WBDC) in order to supply electric service to the new State Street Bank located on the Shrewsbury/Grafton line. The state granted the easement however WBDC did not and cited issues concerning grade elevations on the new Cherry Street.

After SELP's engineers addressed grade elevations, WBDC again did not respond to SELP's request for an easement.

As a result of these issues, including blasting with the possibility of altering the conduit, SELP will install a temporary pole line. State Street will be responsible for all costs associated with the temporary line.

The Commission reviewed the service agreement between SELP and State Street Bank drafted by T. Josie.

10. Operating Brief - Review

- **Digital & Internet**

T. Desilets commented that new customer sales have slowed down and this will most likely continue through the spring and summer season. Promotions are in the plans.

- **Rolfe Ave Substation Upgrade**

T. Josie said that system is very robust. SELP's peak load is approximately 56 megawatts. Outside of all of the other transformers, SELP is installing 100 MVA of transformers at one particular substation for reliability purposes.

- **Long Distance Telephone**

Long distance telephone customers dropped by 35 customers due to a system sweep whereby if a customer does not use the service after a certain length of time, approximately 3 months, the customer is removed from the system.

- **Billing System**

Implementation of the new billing system is on schedule – financial statements are scheduled for mid-July and the electric system for September.

The next Light Commission meeting is tentatively scheduled for June 24, 2002.

A motion,

*To adjourn the meeting was made by C. Jefferson, Jr. and seconded by A. Trippi.
After no further discussion, the motion was carried unanimously.*

Respectfully submitted,

Robert F. Lutz, Clerk
Shrewsbury's Light Commission